

SCRUTINY ITEM

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF ENVIRONMENTAL AND HOUSING SERVICES	INTERNAL AFFAIRS SCRUTINY COMMITTEE	17 APRIL 2024	5
UPDATES AND AMENDMENTS TO THE DISABLED FACILITIES GRANT, ADAPTIONS GRANT, AND HOUSING ASSISTANCE POLICY			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

PURPOSE OF THIS REPORT

- To advise the Scrutiny Committee of the proposed amendments to the Disabled Facilities Grant (DFG) and the Better Care Fund (BCF) adaptations grant policy and seek its recommendations to the Executive Committee.
- This report also provides an update on the Disabled Facilities Grant (DFG) programme within Fylde
- To advise scrutiny committee of the addition of the Affordable Warmth Grant Policy to the Housing Assistance Policy.

SOURCE OF REFERRAL

1. Housing Assistance Policy 2022/24 Document.ashx (cmis.uk.com)
2. Housing Assistance Policy 2020/22 (cmis.uk.com)

FURTHER INFORMATION

Monthly Statistics of Building Materials and Components [Monthly Statistics of Building Materials and Components January 2023 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/statistics/monthly-statistics-of-building-materials-and-components-january-2023)

Bank of England [Bank Rate increased to 4.25% - March 2023 | Bank of England](https://www.bankofengland.co.uk/press-releases/2023/03/01)

SUGGESTED RECOMMENDATIONS

RECOMMENDATIONS

That the Scrutiny Committee review the proposed amendments to the Disabled Facilities Grant (DFG) and the Better Care Fund (BCF) adaptations grant policy with a view to reporting its recommendations to the Executive Committee.

REPORT

GRANT DELIVERY IN 2023/24

1. Fylde Council has been awarded £1,237,227m from the Better Care Fund to deliver adaptations in the current financial year; In November 2023 LCC awarded Fylde a further £107,960 bringing the total BCF to £1,347,120.00 for the 2023/24 financial year.

2. This year has seen an increase in demand for this service, this is partly due to Lancashire County Council (LCC) enrolling the support of agency Occupational Therapists (OTs) to help reduce the significant back log of clients that had been waiting for assessments since the service resumed post pandemic. There have also been several complex children's cases which have not only exceed the cap but the discretionary payment. This has resulted in a total spend of the BCF as of December 2023.
3. Over the past two years there has been significant increases in costs for fuel, materials, and energy, these costs are inevitably passed on to the consumer which has impacted on the value of available funding. The maximum DFG award is £30,000 and this has not increased for over twenty years.
4. Previous decisions have been made to make the DFG means testing fairer but an increase in the cap has not been deemed necessary. The decision to increase the funding from the Better Care Fund (BCF) was introduced in 2022 to offset increases seen in accelerated costs.
5. In 2022 the policy was amended to reduce the 15% fee to 5% on adaptations involving children and to waive the fees on complex adaptations involving children that exceeds the £30,000 cap. During 2023/24 there have been 7 complex children's DFGs where fees have been waived enabling essential grant work to be completed.
6. Match funding for Registered Providers (RPs) was included in the 2022 policy as a trial. In doing this, families in social housing could remain in their home without the worry of having to relocate, which can often lead to children having to leave their school and move out of the area. The trial has proven successful in keeping families in their homes with For Housing being the first registered provider agreeing to match fund.

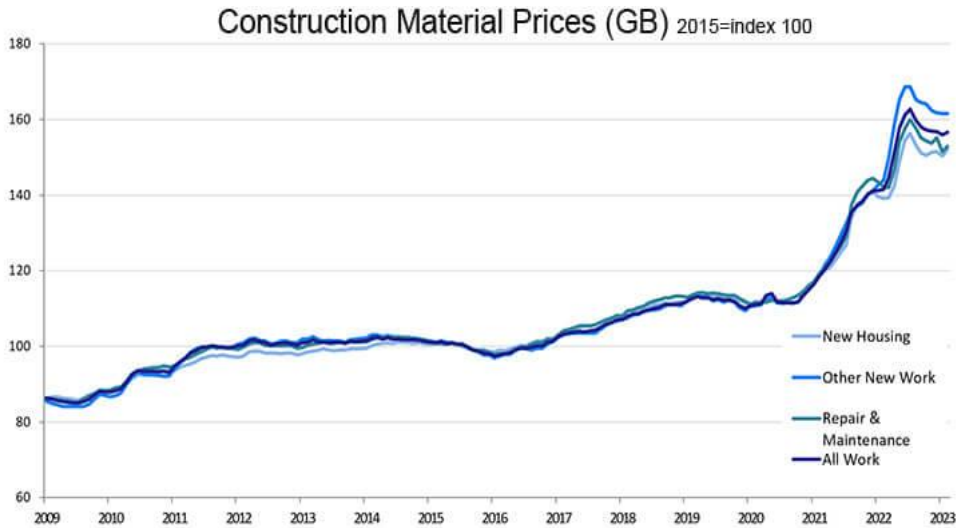
PROPOSED INCREASE TO THE TEST OF RESOURCES

7. The pandemic and Brexit have had a detrimental effect on trade. Consequently, in 2021 the cost of materials saw a steady increase driving the decision to increase the value of the BCF. Since the last policy change in 2022, and according to, Monthly Statistics of Building Materials and Components by Department for Business and Trade. The increased cost of "All Work" continued with a further 15.5% increase in October 2022 compared to the previous year and a further 10.4% in January 2023 compared with the previous year. Although the last twelve months has seen a slight decrease in "All Work" by 2.1%, *see Table 1*, this decrease is having little effect on the cost to consumers.
8. Previously, rising costs have been absorbed by contractors, this is no longer viable, and many contractors have increased their rates following higher UK interest rates, *see Table 2*. Occasionally, unforeseen circumstances such as delays, and complications with installation increase the cost beyond what was originally quoted. The concern is that the increased cost of materials and fuel along with specialist equipment and unforeseen circumstances will drive the BCF over the cap, which is currently set at £7,000 for a single adaption and £12,000 for two adaptations. It is proposed that these values are increased to £8,000 for a single adaptation and £14,000 for two adaptations.

MILITARY COMPENSATION EXEMPTION

9. 150,000 of the Armed Forces community receive compensation awarded by the Government to support with the ongoing costs of an illness or injury acquired in Service. Local authorities are not mandated to exempt military compensation within means tests for locally administered benefits. Civil compensation awards are typically exempt, and where military compensation is regarded as income, some of the poorest members of the Armed Forces community are denied the support that their civilian counterparts receive, missing out on thousands of pounds a year. From 2024 it is proposed that the DFG policy discounts military compensation from the test of resource.

Table 1

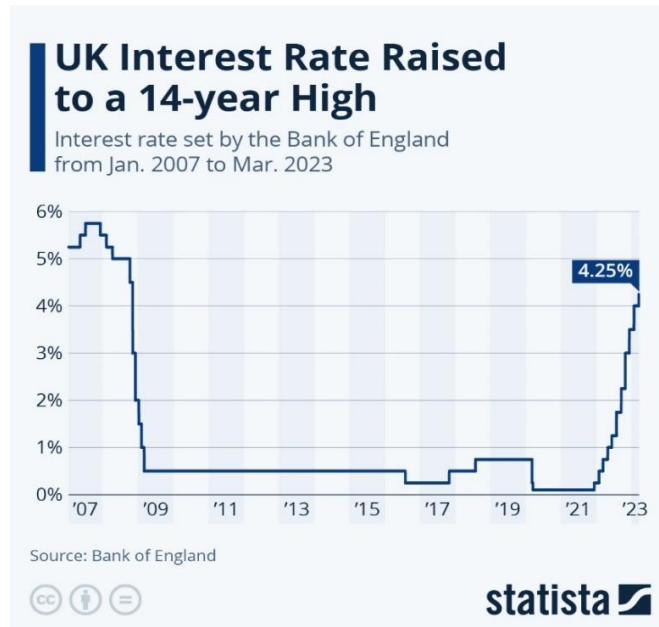


Source: Monthly Statistics of Building Materials and Components, Table 1

[Monthly Statistics of Building Materials and Components January 2023 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

The chart illustrates how the cost of materials has increased during and after the pandemic and Brexit.

Table 2



[Chart: UK Interest Rate Raised to a 14-year High | Statista](#)

The chart illustrates how the increased interest rates since the pandemic and Brexit.

REGISTERED PROVIDER MATCH FUNDING.

10. In the 2022 policy a trial period was included for match funding with RPs. This year we have approved match funding for two grants. This approval and the RPs willingness to match funds reduced the need for re-homing which puts added pressure on vulnerable families already struggling with the impact of prolonged poor health. In this situation, Fylde council now offer RPs an opportunity to match fund to the maximum DFG amount of £30,000. This can be used to extend property, and install the adaptations needed.
11. The first RP to agree to match funding was, For Housing, agreeing to match funds at a cost of £19,473.72 this provided a family with an extension allowing them to remain in their home. It is proposed that match funding with RPs is permanently introduced into the policy.

AMENDMENTS TO THE HOUSING ASSISTANCE POLICY 2024

WARRANTY AND REMOVAL OF SPECIALIST EQUIPMENT

12. Included within the grant for items of equipment is an extended warranty which gives the customer reassurance in the event of maintenance issues or breakdown of the item. Once the warranty period has expired, the customer assumes the responsibility for maintaining the item(s) of equipment. After discussion with Stannah, who install stairlifts and through floor lifts, it has been agreed that Fylde Council will fund the extension of warranties for customers who passed the means test on their initial test of resource, the Council will fund a further 2-year warranty period on equipment that is in good working order.
13. All fitted equipment belongs to the customer previously when the equipment is no longer required the customer is responsible for its removal and any incurred costs. In some instances, equipment may require removal after short periods of installation, in these instances, Fylde Council will incur the cost of removal for equipment that is less than 2 years old and in good working order. These Items will be stored by our partner Stannah to be re-used for further installations within Fylde reducing cost and environmental impact.

CONCLUSION

14. Since the 2022 policy, the cost of goods for trade purposes has risen sharply, other factors such as national wage increases, and bank rates continue to put pressure on contractors. Price increases were being absorbed by contractor’s post Covid unfortunately, contractors are no longer absorbing these price increases and have since applied their own rate increases. The previous policy increased the value of the BCF which provided a small reprieve however, cost increases have continued requiring the BCF to do the same.
15. The decision in 2022 to reduce the 15% fee to 5% or to waive the fee for complex children’s cases has this year funded seven large scale extensions and adaptations, previously these would have exceeded the cap and delayed completion. The flexibility of reduced or waived fees means essential adaptations can be completed within the scope of funding.
16. The introduction of an extended warranty for customers on passported benefits removes the financial burden for some of our most vulnerable customers. Equally, funding the removal of equipment less than 2 years old allows the service to re-use items that would be disposed of by customers, saving cost and environmental impact.
17. Match funding with RPs has been successful with RPs willing to look at alternative possibilities to reduce transiency. It allows those who reside in social housing the same benefits as those living in the private rental sector.

BACKGROUND PAPERS REVELANT TO THIS ITEM		
Name of document	Date	Where available for inspection
Housing Assistance Policy 2022/24		Document.ashx (cmis.uk.com)

LEAD AUTHOR	CONTACT DETAILS	DATE
Cheryl Bennett	Email Cheryl.bennett@fylde.gov.uk Tel 01253 658691	09/04/2024

Attached documents.

- [V0.1 Housing Assistance policy AMENDMENTS 24.docx \(sharepoint.com\)](#)
- [Performance indicators 23-24.docx \(sharepoint.com\)](#)